

DEVON & SOMERSET FIRE & RESCUE AUTHORITY



REPORT REFERENCE NO.	DSFRA/11/4
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	14 FEBRUARY 2011
SUBJECT OF REPORT	CONFIRMATION OF RATES PAYABLE IN 2011/12 UNDER THE AUTHORITY APPROVED SCHEME OF MEMBERS ALLOWANCES
LEAD OFFICER	Clerk to the Authority
RECOMMENDATIONS	<p>(a) <i>that the Authority considers what uprating should apply to Basic and Special Responsibility Allowances for 2011/12;</i></p> <p>(b) <i>that the Authority considers the levels of travel and subsistence reimbursement to apply for 2011/12;</i></p> <p>(c) <i>that, subject to (a) and (b) above and as required by the Local Authorities (Members' Allowances)(England) Regulations 2003, the basic and special responsibility allowances and expenditure reimbursement payable under the Authority's Approved Scheme during 2011/12 be confirmed.</i></p>
EXECUTIVE SUMMARY	<p>Regulations require the Authority to have in place its own Scheme for the payment of a basic allowance to each of its Members. The Authority may also provide for the payment of Special Responsibility Allowances and reimbursement of travel and subsistence expenditure. The Regulations also require the details of any such Schemes to be confirmed by the Authority for each financial year in question.</p> <p>The Authority approved its current Scheme of Allowances in May 2008 following consideration of an in-depth report prepared by an independent consultant. The Scheme provides for an annual uprating of allowances. Given this, the Authority is invited to consider and confirm the level of allowances and expenditure reimbursement payable in 2011/12. In considering this issue, the Authority may wish to note that – by its own agreement - there has been no increase in either allowance or reimbursement rates for the last two financial years.</p>

RESOURCE IMPLICATIONS	The draft revenue budget 2011/12 makes provision for the payment of allowances at the rates as set out in this report. Provision has also been made for the basic and special responsibility allowances to be uprated by 2.9%. The financial implications of potential increases are examined in detail in Section 4 of this report.
EQUALITY IMPACT ASSESSMENT	No potentially negative impact sufficient enough to warrant a full impact assessment has been identified in the content of this report.
APPENDICES	Nil.
LIST OF BACKGROUND PAPERS	Report DSFRA/08/11 ("Devon & Somerset Fire & Rescue Authority Approved Scheme of Members' Allowances), together with report of Independent Consultant, as submitted to Annual Meeting of the Authority on 28 May 2008.

1. **BACKGROUND**

1.1 The Local Authority (Members' Allowances)(England) Regulations 2003 require the Authority to make a Scheme of Members Allowances that:

- MUST provide for payment of a basic allowance to every Member of the Authority (to recognise the time commitment of all Members and cover incidental costs such as postage, telephone calls etc in connection with Authority duties); and
- MAY provide:
 - for payment of a Special Responsibility Allowance for those Members undertaking additional roles (e.g. Authority and Committee Chairs); AND
 - payment of travel and subsistence expenses in relation to Authority duties.

1.2 The Regulations also require the Authority to confirm its Scheme of Allowances for each financial year in question.

2. **AUTHORITY APPROVED SCHEME – CURRENT RATES FOR BASIC AND SPECIAL RESPONSIBILITY ALLOWANCE**

2.1 At its Annual Meeting on 28 May 2008 the Authority considered a review of its Allowances Scheme as conducted by an independent consultant and resolved to adopt the following rates (Minute DSFRA/8 refers):

Type of Allowance	Amount per annum £
Basic	2,000
Special Responsibility	
• Chairman of Authority (5 x basic)	10,000
• Vice Chairman of Authority (3 x basic)	6,000
• Committee Chairs (2 x basic)	4,000
• Authority-appointed director to Regional Control Centre Local Authority Controlled Company (LACC) (1 x basic)	2,000
Independent Member of Standards Committee	500

2.2 The Approved Scheme also provides for the automatic annual uprating of the above allowances (by reference to annual guidance issued by Local Government Association [LGA]).

2.3 At its meeting on 6 May 2009 the Authority considered a report on the level of allowances to be payable in 2009/10 and resolved not to apply any uprating for that financial year and to freeze the rates at the 2008/09 level, as shown in the table at paragraph 2.1 above (Minute DSFRA/97 refers). The Authority, at its budget meeting on 19 February 2010, again resolved to freeze the rates payable for the 2010/11 financial year at the 2008/09 level (Minute DSFRA/48 refers).

2.4 Guidance is still awaited from the LGA as to the recommended increase for 2011/12. The guidance for 2010/11 was for a 2.3% increase. Provision has been made in the Authority's draft 2011/12 revenue budget for basic and special responsibility allowances to be uprated by up to 2.9%. The Authority is invited to consider what percentage uprating it would wish to apply for the forthcoming financial year and whether it would wish this to be in line with the LGA recommendation (once known) subject to this not exceeding 2.9%.

3. **TRAVEL AND SUBSISTENCE EXPENDITURE**

3.1 The Authority's Approved Scheme also provides for the reimbursement of travel and subsistence expenses. The current rates payable, based on the [then] rates as advised by the National Joint Council (NJC) for Local Government Services, are shown in the table below. Members may wish to note that, in relation to mileage, the rate per mile up to 10,000 miles is the maximum tax-free amount as set by HM Revenue and Customs.

Mileage	Rate per mile up to 10,000 miles	Rate per mile beyond 10,000 miles
By car for official duties within the geographical areas of the County areas of Cornwall, Devon, Dorset, Gloucestershire, Hampshire, Somerset, Wiltshire and the area of the former Avon County Council	£0.40p	£0.124p
By motorbike for official duties within the geographical areas of the County areas of Cornwall, Devon, Dorset, Gloucestershire, Hampshire, Somerset, Wiltshire and the area of the former Avon County Council		
- up to 49cc	£0.07p	£0.07p
- 50cc – 149cc	£0.11p	£0.11p
- 150cc – 250cc	£0.14p	£0.124p
- over 250cc	£0.183p	£0.124p
General Subsistence		
- Breakfast (payable if leaving home prior to 07.30hours)		£5.57
- Lunch (payable if leaving home prior to 11.30am and returning after 2.30pm)		£7.70
- Tea (payable if travelling/working AFTER 7.00pm)		£3.04
- Dinner (payable if travelling/working AFTER 8.30pm)		£9.54
Out of Pocket Expenses		
- Per night		£4.31
- Per week		£17.26

3.2 The NJC for Local Government Services no longer sets advisory rates for subsistence allowances. It is, however, recommended good practice for maximum payment thresholds for subsistence allowances to be set and to require receipts when claiming, with reimbursement equating to actual expenditure up to the maximum threshold set. This principle is currently reflected in the Members' Allowances Scheme in relation to subsistence expenses.

3.3 The Authority's current subsistence rates for employees are shown in the following table. Actual expenditure is reimbursed, upon production of a receipt, up to the maximum levels shown.

Breakfast	£6.90
Lunch	£9.54
Tea	£3.76
Evening Meal	£11.82

3.4 In relation to reimbursement of mileage expenses, the current car allowance rates for Service casual users are shown below.

	Band 1	Band 2	Band 3
	451-999cc	1000-1199cc	1200-1450cc
Pence per mile first 8,500	46.9	52.2	65.0
Pence per mile after 8,500	13.7	14.4	16.4
Petrol element (pence)	9.406	10.366	11.288
Amount of VAT per mile in petrol element ¹ (pence)	1.567	1.727	1.881

3.5 The current Service motor cycle expense rates for casual users are as follows:

	49cc	50-149cc	150-250cc	Over 250cc
Pence per mile	7.0	11.2	14.0	18.3

3.6 Additionally, the Service currently reimburses 5p per mile for each passenger carried. The Members' Allowances Scheme provides for 1p per mile per passenger.

4. FINANCIAL IMPLICATIONS OF ANY INCREASES

4.1 The maximum annual spend on Basic and Special Responsibility Allowances, based on the existing rates, is £85,200. The draft revenue budget for 2011/12 makes provision for £87,700 – an increase of £2,500 (2.9%).

4.2 With the demise of the FiReControl Project, it is understood that South West Fire Control Ltd. (the local authority controlled company [LACC] established with overall governance responsibility for the South West Regional Control Centre) is to be formally wound up. At present, the date for this is not know but once it does happen then savings would be realised in relation to payment of the Special Responsibility Allowance to the Authority-appointed Director.

4.3 Since the allowance rates were last reviewed there have been a number of significant price increases, most notably in relation to fuel. Consequently, the Authority may wish to consider an increase in allowances payable.

4.4 The table below shows, for comparative purposes, indicative travel expenditure based on:

¹ This reflects the increase in VAT to 20% with effect from 4 January 2011

- total annual mileage for all Authority Members to all ordinary Authority meetings (including Committee and Forum meetings) BUT excluding reimbursement for attendance at other events (e.g. conferences);
- an assumption of either 100% attendance at all meetings or 85% attendance; and
- a range of mileage amounts, namely the current amount payable and Bands 2 and 3 of the rates currently payable to Service casual users.

	Assuming 100% Attendance			Assuming 85% attendance		
Amount per mile (pence)	40	52.2	65	40	52.2	65
Indicative Total Annual Expenditure	£13,302	£17,359	£21,615	£11,307	£14,755	£18,372

4.5 The 2010/11 outturn position for expenditure on Members travel, based on expenditure to month 9 and projected expenditure for the remainder of the year, is £12,510. The draft revenue budget for 2011/12 makes provision of £15,500 for Members travel – some £2,990 more than the anticipated total spend for the current financial year.

5. **CONCLUSION**

5.1 The Authority Scheme was last subject to a major review in 2008. The Authority is invited to consider this report with a view to confirming, as required by the current regulations:

- (a) what uprating (if any) it would wish to apply to basic and special responsibility allowances for the 2011/12 financial year and whether this should be in line with guidance from the Local Government Association, subject to this not exceeding a potential increase of 3.1% as provided for in the draft Revenue Budget for the year; and
- (b) that the rates for reimbursement of travel and subsistence expenditure to operate for 2011/12.

MIKE PEARSON
Clerk to the Authority